

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the matter of the Application of Dynegy
Connect, L.P. for Registration as an Interexchange
Carrier Telephone Corporation Pursuant to the
Provisions of Public Utilities Code Section 1013.

Application 02-09-010
(Filed September 10, 2002)

**ADMINISTRATIVE LAW JUDGE'S RULING
REQUIRING APPLICANT TO PROVIDE
ADDITIONAL INFORMATION**

This Ruling directs Dynegy Connect, L.P. (Applicant or Dynegy) to provide additional information in support of its application for a Certificate of Public Convenience and Necessity to provide telephone services as a Non-dominant Interexchange Carrier in the State of California (Application). The response should address the specific matters set out below.

Subsequent to the filing of the instant application, the Commission was made aware through stories in the national news media that certain corporate affiliates of the Applicant were either going out of business or radically restructuring and downsizing their businesses. In particular,

1. On or about October 17, 2002, it was reported in the New York Times and elsewhere that an apparently related entity, Dynegy, Inc., was shutting its energy-trading unit and setting up a separate telecommunications division.
2. On or about October 28, 2002, the FCC reported it had received an application from Dynegy Communications Clearinghouse, Inc., apparently a related entity, to discontinue its provision of domestic telecommunications services.

3. On or about October 31, 2002, it was reported in various financial newspapers that Dynegy, Inc. had reported a loss of \$1.8 billion in its third fiscal quarter. Accordingly,

IT IS RULED that on or before January 31, 2003, Dynegy shall supplement the Application with the following additional information:

1. The legal relationships among the Applicant, Dynegy, Inc., and Dynegy Communications Clearinghouse, Inc.
2. Any direct or contingent liability of the Applicant for any obligations of any other entity including, but not limited to, any member of the Dynegy corporate family.
3. The extent to which the financial viability of the Applicant is affected by the losses incurred by Dynegy, Inc. or any of its affiliates.
4. A current state of financial statements updated to reflect changes in the financial condition of the Applicant since September 10, 2002.

Dated January 13, 2003, at San Francisco, California.

/s/ KARL J. BEMESDERFER

Karl J. Bemesderfer
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Requiring Applicant to Provide Additional Information on all parties of record in this proceeding or their attorneys of record.

Dated January 13, 2003, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.